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USDOC FOR 532/OEA/LHINES/DFARROW USDOC FOR 3132 FOR FCS/OIO REGIONAL DIRECTOR WILLIAM ZARIT BICE FOR OFFICE OF STRATEGIC INVESTIGATIONS

SIPDIS

E.O. 12958: N/A

TAGS: BMGT BEXP HK ETRD ETTC

SUBJECT: EXTRANCHECK: PRE-LICENSE CHECK: COMPUTIME LIMITED

REF: A) USDOC 09011 B) D383541

- 11. Unauthorized disclosure of the information provided below is prohibited by Section 12C of the Export Administration Act.
- 12. As per reftel A request and at the direction of the Office of Enforcement Analysis (OEA) of the USDOC Bureau of Industry and Security (BIS), Export Control Officer Philip Ankel (ECO), conducted a pre-license check at Computime Limited, 17/F, Great Eagle Center, 23 Harbor Road, Wanchai, Hong Kong (Computime). The purpose of the visit was to determine the suitability of Computime to be a recipient of technology and hardware for CTL Zigbee radio modules and related software that are the subject of export license application D383541. The items (ECCN 5A002 and 5E002) are valued at USD \$25,003 and are controlled for national security reasons (NS). The license applicant is Cincinnati Technologies of Mason Ohio.
- 13. On November 16, 2007, ECO visited Computime at the address listed above and met with Mr. Shen Owyang, General Manager, Wireless Solutions. According to Mr. Owyang, the company was established in 1974 and is involved in the design and production of remote controllers for household heating and cooling equipment. The company has operations worldwide, including production facilities in mainland China. Customers are located in Asia, Europe and the United States (but, as of yet, not in mainland China). Computime is a Hong Kong stock exchange listed company (its IPO was completed in 2006).
- 14. Mr. Owyang stated that Computime is in the final stages of its acquisition of Cincinnati Technologies (the license applicant). As part of that acquisition, certain design software for various controllers will be transferred to Computime. Mr. Owyang stressed that the underlying encryption technology that is the subject of the license application is actually not designed or controlled by either Cincinnati Technologies or Computime. Rather, those companies purchase chip sets from Ember Technologies (www.ember.com) and it is those chip sets that contain the encryption. OEA may wish to confirm that Ember is, in fact, obtaining licenses (as appropriate) for any chip sets containing encryption technology that it is sending to Computime.
- 15. Mr. Owyang stated that he and the company are keen to comply with all applicable export controls (including both U.S. and Hong Kong controls). Computime expects to finalize the acquisition of Cincinnati Technologies shortly and Mr. Owyang therefore requested that the license application be considered expeditiously.

Cunningham